



OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

TO: Licensed Life Settlement Providers

FROM: Janice M. Wesley, Financial Analyst

RE: **Annual Statement Filing Instructions**

DATE: January 21, 2010

As a licensed Life Settlement Provider in this state, our regulations require you to file an annual statement and notice of major change(s) in the organization by **May 1** of each year as according to Georgia Regulation 120-2-93.05. All responses must be on the attached renewal form. **NO OTHER FORMS WILL BE ACCEPTED. RESPONSES MUST BE TYPED IN NO LESS THAN 10 POINT TYPE.** Letters of credit, backstop guarantees and special corporate structures will not be taken into consideration by the Commissioner in determining the net worth requirement. If the provider is an entity the minimum net worth must be shown on the balance sheet of the entity holding the license. Please note the net worth provision stipulated at Georgia Rules and Regulations § 120-2-93-.04(2)(d).

1. Each licensed company shall file with the Commissioner a full and true statement of its financial condition, (an audited financial statement, prepared by a licensed certified public accountant), transactions and affairs. The statement shall be filed annually on or before **May 1**, [as referenced at O.C.G.A. § 33-59-10(a)(3).] The statement shall be in such form and contain such matters as the department prescribes and shall be verified by at least two (2) officers of the company. **[Please note that willful failure to file an annual statement shall be subject you to penalties and fines.]**
2. At the time of filing its annual statement, the provider shall pay a filing fee as provided in O.C.G.A. §33-8-1. **The fee is \$500.00.**
3. Renewal Application GID-EN-LS-1.
4. The annual report shall include the complete name(s), address(es), phone number(s) and social security number(s) of all officers.
5. The life settlement provider shall immediately notify the Commissioner of any material change in its ownership, principal officer(s), any changes to the scope of the business conducted, or the nature of the organization changed from the original application filing.
 - a. Change of ownership or principal(s), require(s) a new biographical statement(s) and affidavit(s) (**GID-EN-LS-2**), authority for release of information (**GID-EN-LS-3**), and an investigative report for each individual changed in the organization.

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- b. Change of ownership or principal(s) require filing a revised organization chart including names and job descriptions.
 - c. If bylaws and/or articles of incorporation are modified, new certified copies of documents are required.
 - d. Any substantial change in the scope of services rendered by the life settlement provider including new and/or amended form(s) must be documented and submitted. Revised form(s) must be submitted with a redlined copy(ies).
 - e. A signed, notarized affidavit by the President or CEO of the company stating that the company has not had any subsequent events since the original application was filed that have impacted either the solvency of the company; forced any regulatory actions in any of the jurisdictions where the company operates; or, any other issues that have materially impacted any of the principals.
6. Provide the following information where the insured is a resident of the state. Do not include individual data which compromises the privacy of personal, financial and health information of the seller or the insured:
- a. total number, aggregate face amount, and life settlement proceeds of those policies settled during the immediate preceding calendar year, together with a breakdown of the information by policy issue year for Georgia business;
 - b. the names of the insurance companies whose policies have been settled; and,
 - c. the life settlement brokers receiving compensation related to those policies; and,
 - d. the names of any and all employees who solicit, market and/or sell life settlement products.
7. Provide a notarized statement that the provider's advertising is in accordance with O.C.G.A. § 33-59-8.

Please note that Life Settlement Provider licenses are to be effective from July 1 to June 30. **ALL LIFE SETTLEMENT PROVIDER LICENSES WILL EXPIRE June 30, 2010.** Therefore, all materials must be received **no later than May1, 2010.** Extensions for certain filing materials may be granted but requesting an extension does not guarantee that an extension will be granted. In any case only one extension will be considered.

ALL COMPLETE FILINGS MUST BE RECEIVED BY U.S. MAIL ONLY. WILLFUL FAILURE TO FILE AN ANNUAL STATEMENT OR WRITTEN INQUIRY BY THE COMMISSIONER IN CONNECTION WITH THE FILING SHALL RESULT IN FINES AND OTHER PENALTIES AS STIPULATED AT O.C.G.A. § 33-59-6(3). WALK-INS WILL NOT BE ACCEPTED.

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For your convenience all forms may be accessed through the Department's website. The website address is: www.gainsurance.org. **Scroll down to OTHER SERVICES, then click NON-TRADITIONAL ENTITIES (bottom right corner), then LIFE SETTLEMENT PROVIDERS (upper left corner).** There you will find the **Renewal Application for a Life Settlement Provider (GID-EN-LS-1)** and the **Renewal Statement Filing Instructions (GID-EN-LS-1)**. If you do not have access to the internet please contact me at jwesley@oci.ga.gov or 404/656-1724 no later than **February 28, 2010..**

/jmw

Ann. Stmt. Fil. Instr.
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